

The Honorable Marsha J. Pechman

IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

SCOTTSDALE INSURANCE  
COMPANY,

Plaintiff,

v.

THERAPEUTIC HEALTH SERVICES,  
Defendant.

CASE NO. 24-cv-01518-MJP

**STIPULATED MOTION TO EXTEND STAY  
OF PROCEEDINGS TO ALLOW TIME TO  
FINALIZE SETTLEMENT AND**

**~~PROPOSED~~ ORDER**

**NOTE ON MOTION CALENDAR:  
July 21, 2025.**

**STIPULATION**

Plaintiff Scottsdale Insurance Company (“Scottsdale”) and Defendant Therapeutic Health Services (“THS”) (collectively the “Parties”), through their respective counsel, submit this Stipulated Motion and [Proposed] Order to extend the Court’s previous stay of proceedings in this action [ECF. No. 20] from July 24, 2025 to October 22, 2025. The Parties ask that the existing stay be extended for an additional 90 days to allow the Parties to complete and finalize settlement.

Scottsdale filed this coverage lawsuit seeking a declaration that it has no coverage or defense obligations under the policy issued to THS with respect to four underlying lawsuits filed in King County Superior Court (“Underlying Lawsuits”). The Underlying Lawsuits allege that THS failed to adequately safeguard its security systems, resulting in a data breach that exposed the private and confidential information of an alleged class of affected individuals.

STIPULATED MOTION TO EXTEND STAY  
AND ~~PROPOSED~~ ORDER  
CASE NO. 24-CV-01518-MJP - 1

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The parties to both the Underlying Lawsuits and this coverage action have reached settlements. Specifically, the plaintiffs of the Underlying Lawsuits and THS have resolved the data breach related claims; THS and Scottsdale have reached a settlement in this coverage matter. Although the parties have previously stipulated to two extensions, the timing of this process remains uncertain due to factors beyond the Parties' control. Accordingly, Scottsdale and THS jointly stipulate to another 90-day extension. This additional time will allow THS and Scottsdale to complete execution of the settlement agreement, finalize the funding process, and take all necessary steps to conclude the resolution. Following final resolution of the Underlying Lawsuits and settlement of this action, Scottsdale and THS will file a stipulation of dismissal.

In full consideration of the foregoing, IT IS HEREBY STIPULATED AND AGREED by and between counsel for Scottsdale and THS that the stay in this action should be extended from July 24, 2025 to October 22, 2025.

### **ORDER**

Pursuant to the Parties' stipulation, it is so ordered. The stay of this action and all litigation deadlines in the current Case Schedule is EXTENDED until October 22, 2025. Within 90 days thereafter, the Parties agree to file a status report providing the Court with a status update on the case. This is the final extension the Court will permit.

**IT IS SO ORDERED.**

DATED: July 22, 2025.

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THE HONORABLE MARSHA J. PECHMAN  
United States District Judge

1 DATED: July 21, 2025

STIPULATED TO AND PRESENTED BY:

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8 I certify that this memorandum contains 355 words in  
9 compliance with the Local Civil Rules.

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